

Current Economic Analysis

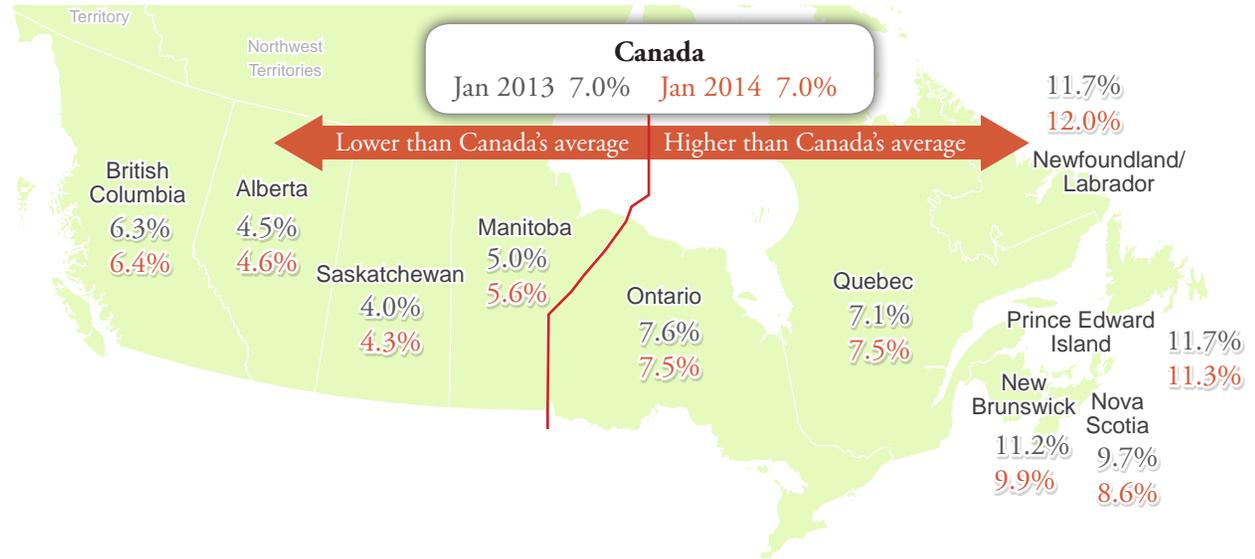
Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

February 27, 2014

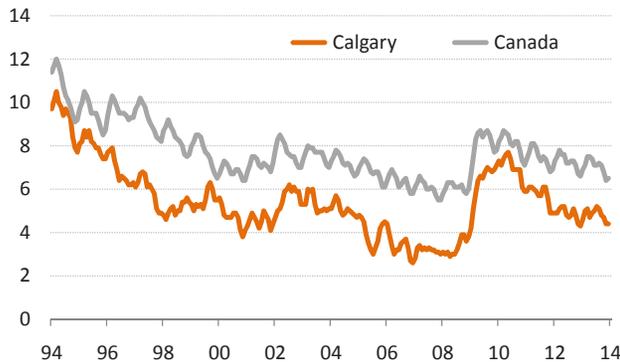
Labour Market (Unadjusted)

- The unemployment rate in the Calgary Economic Region (CER) was 4.5 per cent in January 2014, down from 4.6 per cent in January 2013. Nationally, the unemployment rate was 6.9 per cent in January 2014, but no change from a year ago.
- Total employment in the Calgary Economic Region (CER) was 845,400 in January 2014, a 3.9 per cent increase from 813,800 in January 2013.
- The CER's working age population was estimated at 1,200,900 in January 2014, up 46,300 from January 2013.

Unemployment Rates, Canada and Provinces (Seasonally adjusted)



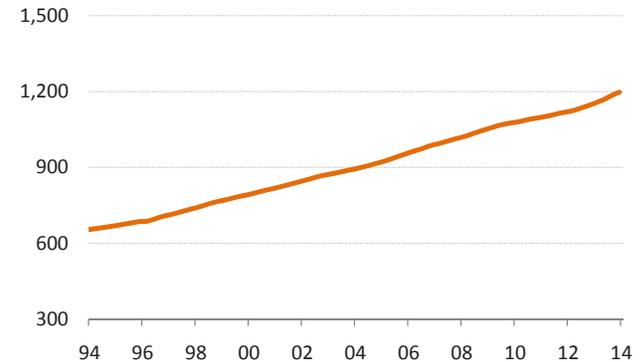
Unemployment Rates (unadjusted, per cent)



Calgary CER: Total Employment (unadjusted, thousands of persons)



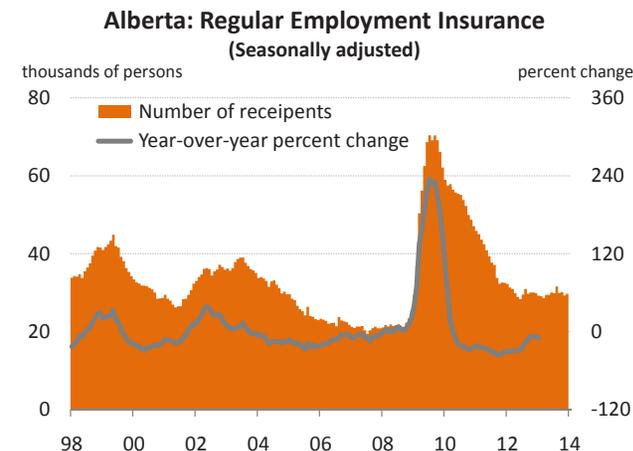
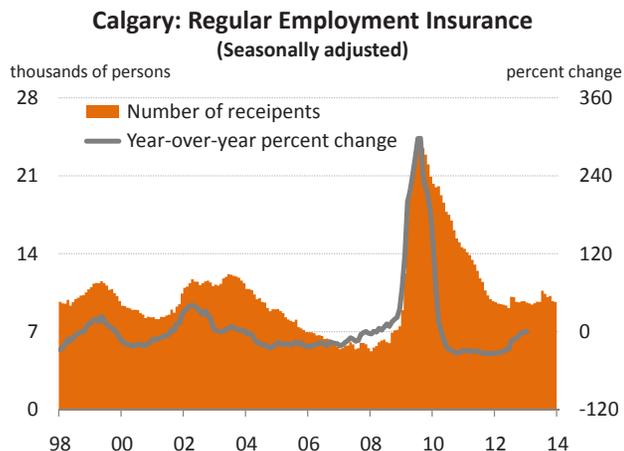
Calgary CER: Working Age Population (unadjusted, thousands of persons)



Sources: Statistics Canada, City of Calgary Civic Census, Corporate Economics

Labour Market (continued)

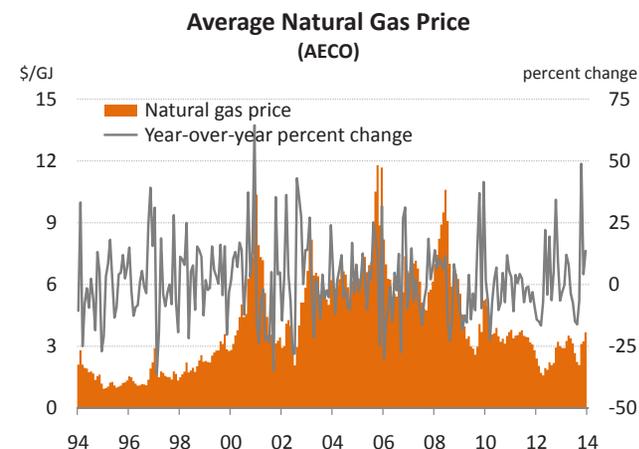
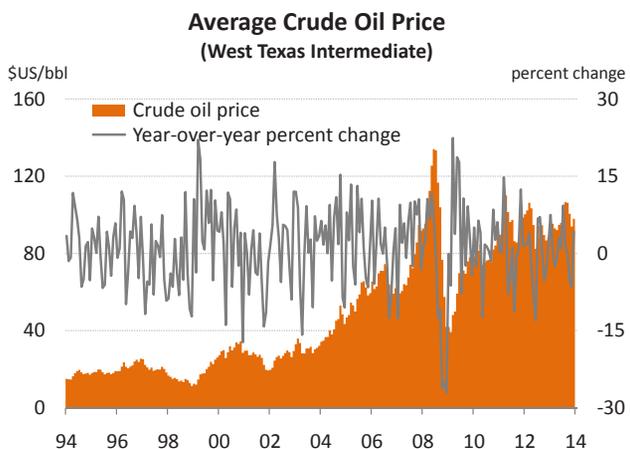
- Between December 2012 and December 2013, the number of Calgarians receiving regular employment insurance fell by 0.8 per cent to 9,670. For Alberta, during the same time period, the number fell by 0.6 per cent to 29,720 year-over-year.



Sources: Statistics Canada, Corporate Economics

Energy

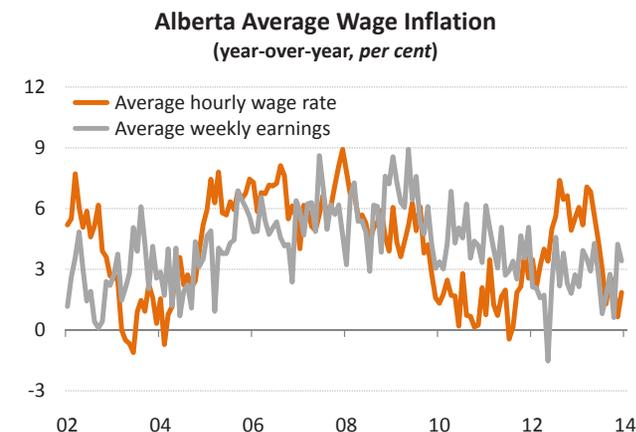
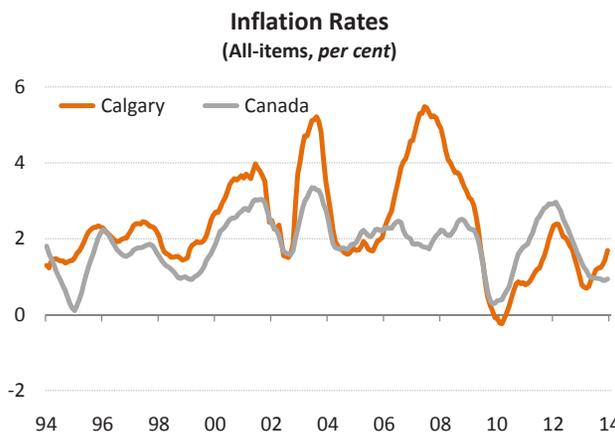
- In January 2014, the average price for crude oil (WTI) was US\$94.86/bbl, down 3.1 per cent from December 2013 but no change from a year ago.
- The average price for natural gas (AECO) was \$4.08/GJ in January 2014, up 10.9 per cent from the previous month and 39.7 per cent from January 2013. This price increase was driven up by the frigid weather experienced in much of the United States and Eastern and Central Canada in January 2014.



Sources: GLJ Energy Publications, Corporate Economics

Prices

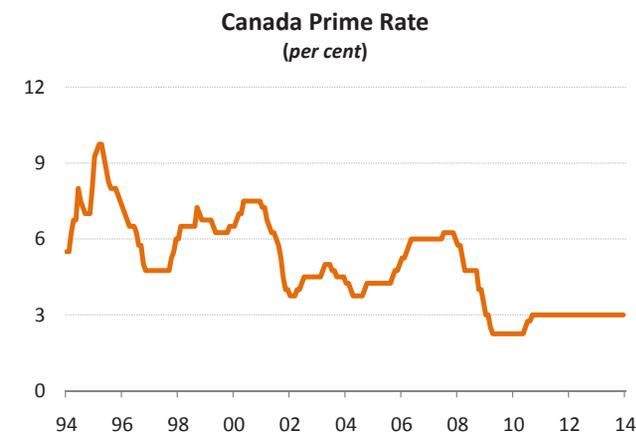
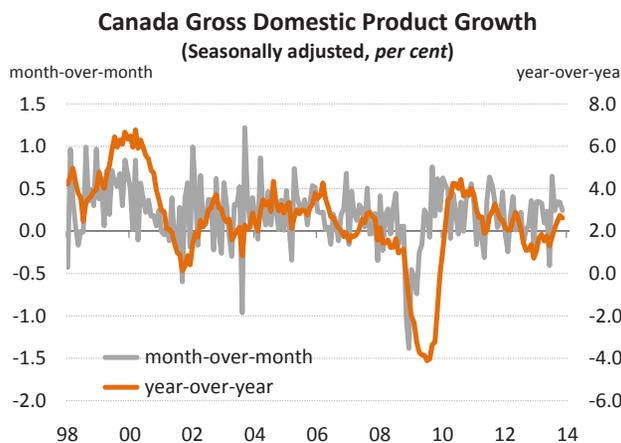
- In January 2014, Calgary's 12-month-moving-average inflation rate increased to 2 per cent from 1.7 per cent in December 2013 and 0.8 per cent in January 2013. Nationally, the inflation rate also increased to 1 per cent from 0.9 per cent in the previous month but down from 1.4 per cent in January 2013.
- In Alberta, the average hourly wage inflation rate in January 2014 was 1.3 per cent, decreased from 6.1 per cent a year ago. The average weekly earnings growth rate was 3.4 per cent in December 2013, increased from 2.7 per cent in December 2012.



Sources: Statistics Canada, Corporate Economics

General Indicators

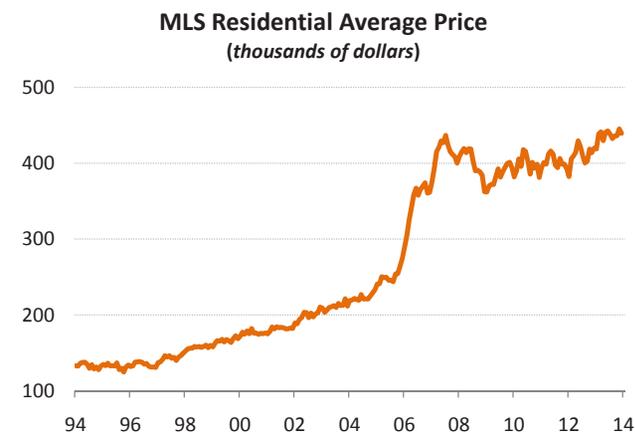
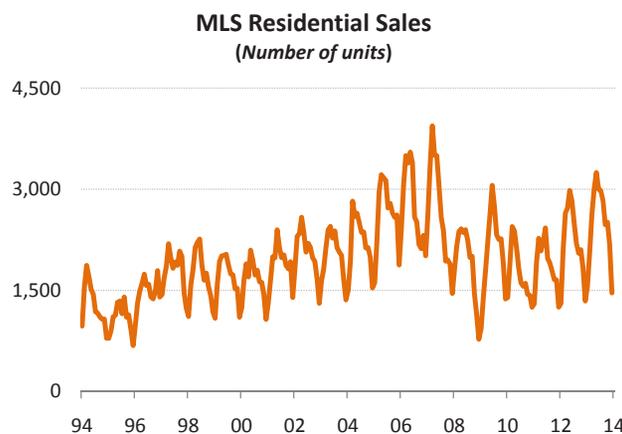
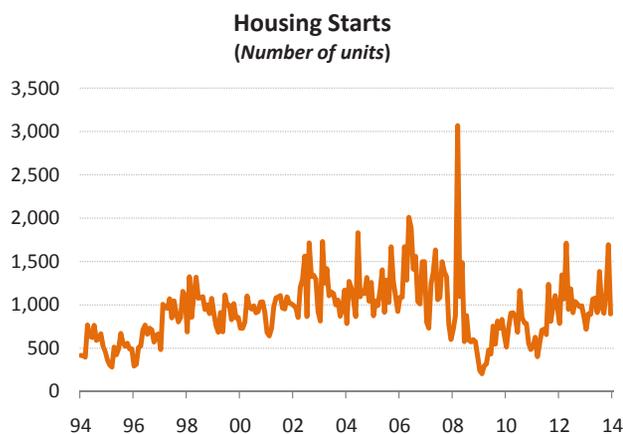
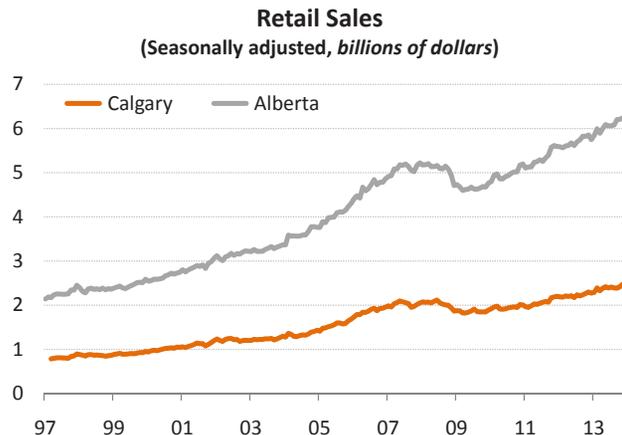
- Canada's real gross domestic product (GDP) growth:
 - ▶ **Month-over-month:** edged up 0.2 per cent in November 2013, following a 0.3 per cent growth in October 2013.
 - ▶ **Year-over-year:** increased 2.6 per cent in November 2013, following a 2.7 per cent growth in October.
- The Canadian prime business loan rate remained unchanged at 3 per cent in January 2014.



Sources: Statistics Canada, Bank of Canada, Corporate Economics

Consumer Indicators

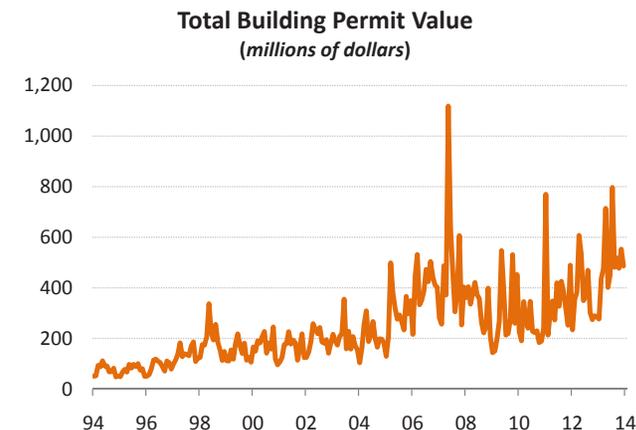
- In December 2013, total retail sales in the CER was estimated at \$2.4 billion (seasonally adjusted), down 3.2 per cent from November but up 5.4 per cent from a year ago. Alberta retail sales were estimated at \$6.2 billion (seasonally adjusted), indicating a 1.1 per cent decrease over the previous month but a 7.3 per cent increase year-over-year.
- The Index of Consumer Confidence increased in January 2014 by 0.9 point to 81.4 (2002 = 100).
- In January 2014, total housing starts in Calgary (CMA) reached 1,328 units, up from 896 units in December 2013 and 719 units a year ago.
- Calgary housing sales in January 2014 was 1,802 units, up 23.1 per cent from 1,464 units in December 2013 and 14.6 per cent from 1,572 units a year ago.
- MLS average sale price for Calgary in January 2014 was \$444,153, up 1.1 per cent from December's average of \$439,389 and 6 per cent from \$418,938 a year ago.



Sources: Statistics Canada, Conference Board of Canada, Calgary Real Estate Board (CREB), Canada Mortgage and Housing Corporation (CMHC), Corporate Economics

Business Indicators

- Alberta wholesale merchants' sales were estimated at \$6.5 billion (seasonally adjusted) in December 2013, down 2.5 per cent from the previous month and 0.2 per cent from a year ago.
- Alberta manufacturing sales were estimated at \$6.2 billion (seasonally adjusted) in December 2013, down 2.8 per cent from the previous month but up 4.8 per cent from the same time last year.
- In January 2014, the total building permit value in the city of Calgary reached \$570 million, a 17.1 per cent increase from December's total of \$486 million, and a 106 per cent increase from \$277 million a year ago.



Sources: Statistics Canada, The City of Calgary, Corporate Economics

Next update: March 31, 2014

Who We Are

Corporate Economics provides services in four areas: forecasting, information provision, policy analysis and consulting. We also monitor the current economic trends which allows us to develop unique insights on how external events are impacting the local economy and the Municipal government. We are experienced at researching different economic topics and developed reliable methods of forecasting and analysis.

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Many of our publications are available on the internet at www.calgary.ca/economy.

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Current Economic Analysis

City of Calgary Monthly Economic Indicators	2011	2012	2013	2012	2013												2014
				Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Labour Market																	
Unemployment Rate - Calgary Economic Region (CER) (%)	5.8%	4.9%	4.8%	4.3%	4.6%	5.0%	5.1%	4.7%	4.9%	5.0%	5.2%	5.1%	4.8%	4.7%	4.4%	4.4%	4.5%
Unemployment Rate - Canada (%)	7.5%	7.3%	7.1%	6.6%	6.9%	7.1%	7.5%	7.5%	7.4%	7.1%	7.1%	7.2%	7.1%	6.8%	6.4%	6.5%	6.9%
Employment - CER (Person - 000s)	776.1	806.3	830.0	815.5	813.8	814.4	808.7	812.5	817.8	827.1	836.5	842.3	847.1	846.7	846.4	846.7	845.4
Employment insurance Alberta - # of recipients (15 years and over), seasonally adjusted **	38,603	30,163	29,708	29,910	29,240	29,120	28,630	29,450	29,460	30,040	29,860	31,600	29,920	30,150	29,300	29,720	
Year-over-year % change **	-28.8%	-20.7%	-1.4%	-8.0%	-9.3%	-7.1%	-7.4%	-1.5%	1.9%	5.8%	1.2%	2.0%	0.6%	0.3%	-2.6%	-0.6%	
Employment insurance Calgary - # of recipients (15 years and over), seasonally adjusted **	12,108	9,628	9,858	9,750	9,610	9,530	9,430	9,550	9,690	9,680	10,680	10,400	10,110	10,210	9,740	9,670	
Year-over-year % change **	-31.5%	-18.9%	2.4%	0.0%	-0.3%	0.1%	-0.5%	1.4%	3.6%	6.1%	5.4%	3.1%	4.4%	6.0%	0.1%	-0.8%	
City of Calgary Population Estimate (000s)	1,091	1,120	1,150	1,140	1,142	1,145	1,147	1,150	1,153	1,157	1,162	1,166	1,171	1,175	1,178	1,181	1,185
Energy																	
West Texas Intermediate (\$US/barrel)	95.13	94.21	97.97	88.25	94.83	95.32	92.96	92.07	94.79	95.80	104.70	106.54	106.24	100.55	93.93	97.91	94.86
Alberta Natural Gas (Cdn\$/GJ)	3.43	2.27	3.01	3.01	2.92	2.91	3.26	3.52	3.39	3.14	2.67	2.24	2.09	3.11	3.24	3.68	4.08
Prices																	
Inflation Rate - Calgary Census Metropolitan Area (CMA) (%)	2.2%	1.0%	1.7%	1.0%	0.8%	0.7%	0.7%	0.7%	0.9%	1.0%	1.2%	1.2%	1.2%	1.3%	1.5%	1.7%	2.0%
Inflation Rate - Canada (%)	2.9%	1.5%	0.9%	1.5%	1.4%	1.2%	1.2%	1.0%	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	1.0%
Average Hourly Wage Rate - Alberta y-o-y % change	1.7%	4.8%	3.9%	5.5%	6.1%	5.2%	7.1%	6.8%	5.6%	4.4%	3.0%	1.3%	2.7%	2.1%	0.7%	1.9%	1.3%
Average Weekly Earnings* - Alberta y-o-y % change	4.0%	2.1%	2.8%	2.7%	2.1%	3.9%	3.5%	2.9%	4.3%	2.8%	0.8%	1.7%	2.8%	0.6%	4.2%	3.4%	
General Indicators																	
Canadian Real GDP y-o-y % change - (Chained 2007 dollar)	2.7%	1.8%	NA	0.7%	1.1%	1.7%	1.9%	1.5%	1.8%	1.3%	1.7%	2.1%	2.5%	2.7%	2.6%		
Canadian Real GDP m-o-m % change - (Chained 2007 dollar)	--	--	--	-0.2%	0.3%	0.3%	0.3%	0.1%	0.2%	-0.4%	0.6%	0.2%	0.3%	0.3%	0.2%		
Prime Lending Rate - Bank of Canada (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Consumer Indicators																	
Retail Sales - Alberta, seasonally adjusted (\$billions)	63.9	68.3	72.8	5.7	5.8	6.0	5.9	6.0	6.1	6.1	6.1	6.1	6.2	6.2	6.2	6.2	
Retail Sales - CER, seasonally adjusted (\$billions)	24.8	26.7	28.7	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.5	2.4	
Index of Consumer Confidence - Canada	80.6	77.7	83.2	77.9	83.0	80.8	80.5	75.6	80.7	83.4	82.6	84.7	91.0	88.9	87.1	80.5	81.4
Housing Starts - Calgary CMA	9,292	12,841	12,584	866	719	896	890	1,067	1,078	912	1,385	982	904	1,162	1,693	896	1,328
# of Personal Bankruptcies - Alberta	7,029	5,759	NA	346	446	412	429	464	434	375	385	379	375	383	323		
Calgary Residential Unit Sales MLS	22,466	26,634	29,954	1,343	1,572	2,071	2,631	3,003	3,247	3,002	2,976	2,830	2,475	2,510	2,173	1,464	1,802
Calgary Residential Sales to New Listings Ratio MLS	53.69	66.33	73.17	105.83	48.04	59.58	62.27	64.39	65.76	75.29	78.30	76.94	68.18	75.65	90.73	112.88	56.77
Calgary Residential Average Price MLS (\$thousands)	401.9	410.8	436.6	419.8	418.9	438.8	441.4	429.7	440.7	442.5	438.2	432.6	435.9	436.2	445.1	439.4	444.2
Business Indicators																	
Wholesale Sales - Alberta, seasonally adjusted (\$billions)	69.9	77.5	79.2	6.5	6.5	6.7	6.4	6.5	6.6	6.5	6.7	6.6	6.6	6.8	6.7	6.5	
Manufacturing Sales - Alberta, seasonally adjusted (\$billions)	71.1	73.5	74.8	5.9	6.1	6.2	6.1	6.0	6.2	6.2	6.4	6.5	6.2	6.4	6.4	6.2	
# of New Businesses - Calgary	4,300	3,770	3,890	337	NA	549	344	271	244	153	124	278	665	481	524	257	0
# of Business Closures - Calgary	2,380	2,445	2,581	154	NA	785	243	165	209	146	140	193	211	156	215	118	1
# of Business Bankruptcies - Alberta	264	230	NA	16	10	14	12	15	11	9	9	7	13	15	8		
City of Calgary Total Building Permit Value (\$millions)	4,528.3	4,447.7	6,072.0	285.2	276.7	437.4	476.7	714.1	402.1	453.0	796.6	481.6	516.9	477.5	552.9	486.4	569.8

* Taken from April Civic Census * Average weekly earnings is wage rate with benefits (including overtime) ** In March 2013, employment insurance data have been reconstructed with a new methodology by Statistics Canada. This change has affected the data over the entire historical period.